APPENDIX

INGAA STATE TAX DISCRIMINATION SURVEY

(Compiled February 8, 2008)

State	2007 Actual Property Taxes Paid by Interstate Natural Gas Pipelines	Equivalent Property Tax if Assessed the Same as Other State Businesses	Discriminatory Tax Amount
Alabama	$ 14,939,636	$ 9,959,757	$ 4,979,879 [1]
Kansas	$ 45,495,021	$ 33,130,952	$ 12,364,069 [2]
Kentucky	$ 6,881,457	$ 5,032,465	$ 1,848,992 [3]
Louisiana	$ 63,864,376	$ 40,058,046	$ 23,806,330 [4]
Mississippi	$ 35,229,197	$ 17,614,599	$ 17,614,599 [5]
Montana	$ 15,076,597	$ 3,778,752	$ 11,297,845 [6]

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[1] Alabama discrimination is based on the difference between a 30% assessment ratio applied to the value of interstate pipeline property versus a 20 % ratio applied to other businesses.

[2] Kansas discrimination is based on the difference between an interstate pipeline ratio of 33% on all property while other business taxpayers are assessed at a 25% ratio.

[3] Kentucky's discriminatory tax is based on "4-R" tangible State tax rate of .2403 (pipelines at .45) and a local personal property assessment multiplier of 56% (pipelines at 100%).

[4] Louisiana discrimination is based on the difference between the pipeline ratio of 25% and an assessment ration of 15% applied to other businesses.

[5] Mississippi discrimination is based on the difference between the pipeline ratio of 30% and other businesses at a ratio of 15%.

[6] The Montana tax rate currently applicable to pipelines (class 9) is 12%. The tax rate for other businesses (commercial and industrial) currently is 3%.

Ohio	$ 43,148,570	$ 12,438,783	$ 30,709,787 [7]
Oklahoma	$ 14,967,796	$ 8,328,931	$ 6,638,865 [8]
Tennessee	$ 8,245,493	$ 4,663,050	$ 3,582,443 [9]
Totals	**$ 247,848,143**	**$ 135,005,335**	**$ 112,842,808**

[7] As discussed in the brief, Ohio discrimination is based on the difference between the 88% assessment ratio for interstate pipelines and the 25% ratio applicable to LDCs and others.

[8] Oklahoma discrimination is based on the difference between the pipeline ratio of 22.85% and 12.5% applicable to other businesses.

[9] Tennessee discrimination is based on the difference between the pipeline assessment ratio of 55% (all property) and the Commercial and Industrial assessment ratio of 40% for real property and 30% for personal property.